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Approved for Release  
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Date

DEPARTMENT OF COMMERCE  
CHIEF FINANCIAL OFFICER AND ASSISTANT SECRETARY FOR ADMINISTRATION  
OFFICE OF FINANCIAL MANAGEMENT

PROPERTY BULLETIN #001, FY17

**SUBJECT:** Department of Commerce (DOC) Obtaining, Reporting, and Disposal of Firearms

**EFFECTIVE DATE:** February 1, 2017

**EXPIRATION DATE:** Effective until canceled or superseded

**SUPERSEDES:** Not Applicable

**BACKGROUND:** In accordance with the Federal Managers' Financial Integrity Act (FMFIA) and the Government Accountability Office (GAO) internal control standards, the DOC Personal Property and Transportation Division (PPTD) is responsible for developing, documenting, and implementing physical controls to safeguard and account for firearms. These standards and guidelines serve as the framework to establish and maintain internal controls for firearm assets.

**PURPOSE:** The purpose of this property bulletin is to establish and maintain controls to account for and dispose of firearms acquired or authorized for use by DOC personnel.

**1.0 Firearms**

The Personal Property Management Manual (PPMM) establishes uniform DOC standards, policies, and procedures to manage DOC personal property assets, including firearms.

**2.0 Chief Financial Officer (CFO), Chief Administrative Officer (CAO), or Equivalent Level**

CFOs, CAOs, or equivalent level for each Bureau are responsible for the overall management of their respective firearm programs. Responsibilities include, but are not limited to, the following:

- Complying with all rules, laws, regulations, policies, and instructions of the Executive Branch, Congress, and DOC;

- Ensuring proper and comprehensive firearm asset management, control, and accountability across the organization, to include the use of an approved inventory system;
- Ensuring investigations are conducted when determinations are made that an employee failed to follow firearm accountability procedures;
- Ensuring all personnel issued a firearm receive an initial briefing on firearm asset management commensurate with their roles and responsibilities, to include an annual briefing on the accountability and safeguarding of firearms; and
- Providing sufficient resources to carry out firearm asset management responsibilities.

## **2.1 Property Management Officer (PMO)**

The Bureau PMO serves as the single Federal employee within each Bureau responsible to account for firearm assets within the firearm program. Responsibilities include, but are not limited to, the following:

- Maintaining an effective firearm asset management program within their Bureau including written procedures and guidance for acquiring, receiving, recording, utilizing, safeguarding, managing, and disposing of firearms;
- Ensuring the Bureau firearm asset management program conforms to all current laws, regulations, and DOC policy throughout the lifecycle of asset management, to include an appropriate organizational structure and rules for managing firearms;
- Ensuring lost, missing, stolen, damaged, or destroyed (LMSDD) firearms are properly reported in accordance with the DOC PPMM and subsequently all Property Board of Reviews (PBR) are adjudicated within 15 days of loss; and
- Conducting a semi-annual internal control reviews of assets and storage facilities to assure accountability, proper procedures, and documentation are in place at all times.

## **3.0 Acquisition of Firearms**

The acquisition of firearms must be in accordance with applicable laws, regulations, and DOC acquisition policy. Firearms may be acquired commercially, through pre-arranged transfers within Commerce or other Federal agencies, through forfeiture, abandonment, or by other legal means. All newly acquired firearms must be entered into the Personal Property Management System (PPMS) within seven business days from receipt.

## **4.0 Receipt of Firearms**

Bureau PMOs are responsible to prepare detailed procedures pertaining to the receipt of DOC-owned firearms. The procedures must include the receipt, inspection, recording, and safeguarding of firearms prior to creating the PPMS record.

The Property Official (PO) and the Firearms Program Manager (FPM) must be present together to complete the transfer and acceptance of firearms from vendors and other Federal agencies. The FPM is responsible for handling and securing the firearms, while the PO is responsible for completing the transfer documentation and entering the firearms into the PPMS.

### **4.1 Recording of Firearms**

Bureau PMOs must maintain a complete list of all authorized firearms in the PPMS. Each firearm must be specifically identified and recorded as a single-line item. A firearm record must contain, at a minimum, the following:

- Barcode
- Manufacturer
- Model Number
- Serial Number
- Initial Event
- Acquisition Date
- Acquisition Cost
- Bureau
- Custodial Area
- Authorized User
- Location
- Acquisition Documentation

The receipt of a firearm must be documented in the PPMS in accordance with the DOC Firearm Accountability Recordation Timeline, described in section 5.0.

### **4.2 Security and Storage of Firearms**

Each Bureau FPM must establish internal procedures to ensure DOC authorized firearms are secured and stored in accordance with PPMM Section 5.8, "Security and Storage."

#### **4.2.1 Issued Firearms**

Each Bureau must establish procedures for the safe storage of issued firearms. The procedures must account for the safeguarding of firearms for both on and off-duty law enforcement personnel. Bureaus must provide these procedures to law enforcement personnel in both electronic and hard copy format. In addition, Bureaus must ensure all personnel who handle firearms receive annual notification on the accountability and safeguarding of firearms.

## 5.0 Movement and Accountability of Firearms

Each Bureau PMO must ensure the PPMS record is updated throughout the asset lifecycle to document all transactions and events. The DOC Firearm Accountability Recordation Timeline details the requirements for the time standard to record and update the PPMS based upon when a transaction(s)/event(s) occurs.

### DOC Firearm Accountability Recordation Timeline

Transaction/Event	Recordation Timeline
Receiving Process	Within 7 business days from receipt
Issuance to End User	Within 3 business days from issuance date
Loaning and Borrowing – Internal	Within 3 business days from allocation date
Internal Transfer <sup>1</sup>	Within 3 business days from allocation date <sup>2</sup>
Loaning and Borrowing – External	Within 7 business days from allocation date <sup>2</sup>
External Transfer <sup>1</sup>	Within 7 business days from allocation date <sup>2</sup>
Other disposition actions	Within 7 business days from allocation date <sup>2</sup>

## 5.1 Issuing and Transferring of Firearms

Bureau PMOs are responsible to prepare specific instructions and procedures pertaining to the issuance of DOC-owned firearms to individuals, organizational units, or functional areas. The instructions and procedures must comply with all provisions and requirements within the parameters of the PPMM.

When issuing a firearm to an individual, organizational unit, or functional area, it is recommended the FPM and PO be present to complete the issuance. If it is not possible for both parties to be available for the issuance, the FPM must notify the PO of the issuance as soon as practical.

All shipping or transfer transactions, internal or external, must be documented in the PPMS in accordance with the DOC Firearm Accountability Recordation Timeline.

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<sup>1</sup> Transfer refers to the action taken by the holding and receiving entity as title or accountability changes hands.

<sup>2</sup> The allocation date refers to the date the transfer is initiated either manually or in writing for internal transfers, and the date GSA sends the allocation notice for external transfers or other disposition actions.

## **5.2 Shipping Requirements for Firearms**

The firearms shipping procedures is a statutory requirement. Title 18 § U.S.C. 922(e), “Unlawful acts,” which states in part, “It shall be unlawful for any person knowingly to deliver or cause to be delivered to any common or contract carrier for transportation or shipment in interstate or foreign commerce, to persons other than licensed importers, licensed manufacturers, licensed dealers, or licensed collectors, any package or other container in which there is any firearm or ammunition without written notice to the carrier that such firearm or ammunition is being transported or shipped; except that any passenger who owns or legally possesses a firearm or ammunition being transported aboard any common or contract carrier for movement with the passenger in interstate or foreign commerce may deliver said firearm or ammunition into the custody of the pilot, captain, conductor or operator of such common or contract carrier for the duration of the trip without violating any of the provisions of this chapter. No common or contract carrier shall require or cause any label, tag, or other written notice to be placed on the outside of any package, luggage, or other container that such package, luggage, or other container contains a firearm.”

## **5.3 Semi-Annual Physical Inventory**

The Bureau PMO must ensure its Bureau inventory plan incorporates a semi-annual physical 100 percent inventory for all firearms.

For internal control purposes, the procedure to conduct a semi-annual firearms inventory requires at least two individuals not directly responsible for the inventoried firearms to conduct the physical inventory. Individuals conducting the inventory must verify firearm serial numbers and provide descriptive information about the firearm, such as manufacturer and model number.

Firearm management personnel may assist in locating and identifying firearms during the physical inventory process, as well as producing signed hand receipt documentation for internal control purposes. Bureau PMOs may propose other inventory methods (e.g., using technology), subject to prior approval from the Departmental Property Management Officer (DPMO).

The PO can submit a waiver request to the Bureau PMO to deviate from having two personnel that are not responsible for the firearm to conduct the semi-annual inventory to fulfill the inventory requirement.

### **5.3.1 Additional Control Measures**

Upon the completion of each firearm semi-annual inventory, the Bureau PMO must submit a signed memorandum through their Bureau CFO, CAO, or equivalent level to the DPMO, certifying the completion of the firearm inventory.

At a minimum, the following results must be listed in the memorandum:

- Total semi-annual base count
- Total semi-annual LMSDD presented to PBR
  - Total employee(s) found liable
  - Total employee(s) found not liable
- Total positive resolution count and percentage

## **6.0 LMSDD Firearms**

In addition to the semi-annual physical inventory, each Bureau PMO must ensure all PBRs are completed within 15 days for reported LMSDD firearms.

Each Bureau PMO must follow the policies and procedures outlined in PPMM Chapter 9.0, “Lost, Missing, Stolen, Damaged, and Destroyed Personal Property,” to account for LMSDD firearms.

Bureaus must submit a semi-annual report of its LMSDD firearms to DOC PPTD. DOC PPTD will notify Bureau PMOs of the reporting requirements, as revised, which include frequency of reporting, content of reporting, and process of reporting.

In addition to this guidance, Bureaus must adhere to the DOC Firearm LMSDD Reporting Framework, listed below in Section 6.1.

### **6.1 LMSDD Reporting Framework**

The following event-reporting framework is established to document the required critical steps along with the corresponding timeline when a DOC-issued firearm is LMSDD:

#### **DOC Firearm LMSDD Reporting Framework**

Transaction/Event	Reporting Timeline
Report to supervisor	Within 2 hours <sup>1</sup>
Document the loss in the PPMS	Within 24 hours
Report to Bureau PMO	Within 24 hours <sup>2</sup>
Submit CD-52 to Bureaus Property Management Officer	Within 10 days
Complete Property Board of Review	Within 15 days
Send copy of completed Property Board of Review to DOC PPTD	Within 15 days

<sup>1</sup> Exceptions may be granted based upon exigent circumstances.

<sup>2</sup> Bureau PMOs must start the PBR immediately upon notification of the LMSDD firearm.

Bureau PMOs are responsible to ensure an adequate and effective PBR process is in place.

## **7.0 Disposition of Firearms**

Bureaus must direct the disposition of all firearms in accordance with applicable laws, regulations, and Departmental disposal policy.

For further information, see PPMM, Chapter 10, “Redistribution of Personal Property Assets.”

### **7.1 Screening and Excess Firearms**

DOC is committed to the reutilization of firearms through internal screening with authorized officials. Bureau PMOs must ensure screening within the Department is conducted. Firearms are prohibited from the exchange/sale authority under 41 CFR § 102-39.45(a).

When all required screening is complete, and a need for the firearm is not identified, it is deemed surplus. Surplus firearms are eligible for disposal.

### **7.2 Disposal of Firearms**

Bureaus must follow the reporting guidance contained in FPMR Bulletin H-79 Utilization and Disposal and FPMR Bulletin H-75 Utilization and Disposal, which states each firearm must be reported to GSA as a single-line item, per report, to include serial number, manufacturer, and model number.

Bureaus may dispose of surplus and unusable firearms if they have the capability to demilitarize and render the firearm useless. All disposal transactions must be documented in the PPMS in accordance with the DOC Firearm Accountability Recordation Timeline, described in Section 5.0.

**REFERENCES:** 41 CFR § 101-42.1102.10, 41 CFR § 101-48.303, 41 CFR § 102-36.15, 41 CFR § 102-36.125(a)(b), 41 CFR § 102-36.375, 41 CFR § 102-37.240, 41 CFR § 102-39.45, Title 18 § U.S.C. 922(e)

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